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INTERNET CORPORATION FOR  
10 ASSIGNED NAMES AND NUMBERS

11 UNITED STATES DISTRICT COURT  
12 CENTRAL DISTRICT OF CALIFORNIA

13  
14 VERISIGN, INC., a Delaware  
15 corporation,

16 Plaintiff,

17 v.

18 INTERNET CORPORATION FOR  
ASSIGNED NAMES AND NUMBERS, a  
19 California corporation; DOES 1-50,

20 Defendants.  
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Case No. 04 CV 1292 AHM (CTx)

**DEFENDANT INTERNET  
CORPORATION FOR  
ASSIGNED NAMES AND  
NUMBERS' OPPOSITION TO  
PLAINTIFF VERISIGN, INC.'S  
EX PARTE APPLICATION TO  
CONTINUE ICANN'S MOTION  
TO STRIKE TO ALLOW FOR  
DISCOVERY**

1 **INTRODUCTION**

2 The *purpose* of California's anti-SLAPP statute is to afford a defendant with  
3 a means of disposing of claims that lack merit "quickly and inexpensively" and of  
4 requiring the plaintiff to pay the defendant's attorneys' fees and costs. VeriSign,  
5 Inc.'s ("VeriSign") *ex parte* application to continue defendant Internet Corporation  
6 for Assigned Names and Numbers' ("ICANN") Special Motion to Strike is an  
7 improper attempt to delay the disposal of VeriSign's meritless state law claims, an  
8 attempt that clearly is at odds with the purpose of the anti-SLAPP statute and the  
9 Ninth Circuit's interpretation of that law in federal court.

10 VeriSign's position that anti-SLAPP motions should be heard at the close of  
11 discovery would defeat the entire purpose of the statute and render its provisions  
12 meaningless. This is particularly true where, as here, the plaintiff's complaint is  
13 quite specific that the plaintiff is challenging protected activity, and where the letter  
14 that the plaintiff references *on its face* demonstrates that the anti-SLAPP statute  
15 applies. VeriSign's *ex parte* application should be denied.

16 **STATEMENT OF FACTS**

17 On September 15, 2003, VeriSign introduced a wildcard<sup>1</sup> into the .com zone  
18 of the Internet, as part of a new feature it referred to as "Site Finder." Compl., ¶ 33.  
19 On October 3, 2003, ICANN sent VeriSign a letter ("October 3 letter") stating that  
20 the introduction of the wildcard violated the agreement between VeriSign and  
21 ICANN pursuant to which VeriSign is entitled to operate the .com registry, that  
22 VeriSign must suspend the wildcard, that the letter was to be considered "a formal  
23 demand" to stop operating the wildcard, and that failure to suspend the wildcard

24 \_\_\_\_\_  
25 <sup>1</sup> When most users of the Internet type in an address that has not been  
26 registered in the registry, the users receive an "error" message or a "page cannot be  
27 displayed" message that states in effect that the Internet site does not exist. Compl.,  
28 ¶ 34. If, instead, a registry operator wants to redirect the Internet user to an Internet  
page established by the registry (with content supplied by the registry), the registry  
can employ a "wildcard." Via a wildcard, the registry operator can cause an  
Internet user who types in a domain in the TLD that is not specifically assigned to  
be redirected to an Internet page established by the registry operator.

1 would cause ICANN "to seek promptly to enforce VeriSign's contractual  
2 obligations." See RJN Ex. F.<sup>2</sup> In response to this letter, which VeriSign refers to as  
3 the "Suspension Ultimatum," VeriSign removed the wildcard. Compl., ¶¶ 32-34,  
4 94, 101, 107. Obviously, VeriSign viewed ICANN's threat to litigate as a  
5 legitimate one.

6 VeriSign filed its Complaint on February 26, 2004. The Complaint contains  
7 seven claims. VeriSign's second, third, and fourth claims for relief are all based  
8 entirely on the dispute between ICANN and VeriSign arising from VeriSign's  
9 insertion of a "wildcard" in the .com zone. Compl., ¶¶ 92-110. VeriSign alleges  
10 that ICANN's October 3 letter breached the Registry Agreement (claims 2 and 3)  
11 and constituted unlawful interference with contractual relations (claim 4). Compl.,  
12 ¶¶ 94, 101, 107-109. VeriSign's fifth and sixth claims for relief for breach of  
13 contract are based partly on the October 3 letter, and also on statements by ICANN  
14 in other contexts concerning VeriSign's performance under the contract. See, e.g.,  
15 Compl., ¶¶ 37, 44, 45, 52, 53, 67.

16 On April 5, 2004, ICANN filed a motion to dismiss VeriSign's first six  
17 claims, pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure. A  
18 hearing on that motion is scheduled for May 17, 2004. ICANN filed its Special  
19 Motion to Strike on April 20, 2004.<sup>3</sup> The Special Motion to Strike is directed to  
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21 <sup>2</sup> ICANN's RJN (Request for Judicial Notice) was filed in conjunction with  
22 ICANN's Motion to Dismiss on April 5, 2004. For the Court's convenience, the  
23 letter also is attached to the concurrently-filed Declaration of Courtney M.  
24 Schaberg ("Schaberg Decl.") as Exhibit 1.

25 <sup>3</sup> VeriSign's *Ex Parte* Application ("Application") states that "ICANN  
26 advised VeriSign on April 20, 2004 that ICANN intended to file its special motion  
27 to strike later that day." Application, 4:27-28, n.4. To be clear, ICANN informed  
28 VeriSign that it would be filing a Special Motion to Strike long before April 20,  
2004, and the parties had agreed that ICANN would file its Special Motion to  
Strike on April 22, 2004. Hutt Decl., ¶ 5. ICANN served the motion on April 12,  
2004, in order to give VeriSign more time to prepare its response. VeriSign's  
counsel called ICANN's counsel on April 19, 2004, and stated that VeriSign  
intended to file its Application directed to ICANN's Special Motion to Strike the  
following day. Hutt Decl., ¶ 11. For this reason, ICANN filed its Special Motion  
to Strike on April 20, 2004.

1 VeriSign's second through sixth claims, and the hearing on this motion is also  
2 scheduled for May 17, 2004.

### 3 **LEGAL STANDARD**

4 *Ex parte* relief constitutes emergency relief and will not be granted unless the  
5 declaration accompanying the application demonstrates good cause for relief.  
6 *Mission Power Eng. Co. v. Continental Casualty Co.*, 883 F. Supp. 488, 492 (C.D.  
7 Cal. 1995). *Ex parte* applications should only be granted when the evidence shows  
8 1) that the moving party's cause will be irreparably prejudiced if the underlying  
9 motion is heard according to regular noticed motion procedures; and 2) the moving  
10 party is without fault in creating the crisis that requires *ex parte* relief." *Id.*; see  
11 also *In re Intermagnetics America, Inc.*, 101 B.R. 191, 193 (C.D. Cal. 1989). This  
12 Court's standing Scheduling and Case Management Order "strongly discourages *ex*  
13 *parte* applications." Scheduling and Case Management Order, at 8:22-25  
14 (cautioning parties to "[t]hink twice!" before filing an *ex parte* application and  
15 citing *Mission Power Eng. Co.*, 883 F. Supp. 488 (C.D. Cal. 1995)).

### 16 **ARGUMENT**

#### 17 **I. ICANN'S ANTI-SLAPP MOTION IS TIMELY, NOT PREMATURE.**

18 California's anti-SLAPP statute contains procedural requirements that a  
19 Special Motion to Strike must be filed and heard at the beginning of an action.  
20 Application, 2:9-11; 6:5-11. VeriSign contends that these procedural requirements  
21 do not apply in federal court and therefore ICANN's motion is "premature."  
22 VeriSign is wrong.

23 California's anti-SLAPP statute contains the following provision:

24 (f) The special motion may be filed within 60 days of the  
25 service of the complaint or, in the court's discretion, at  
26 any later time upon terms it deems proper. The motion  
27 shall be noticed for hearing not more than 30 days after  
28 service unless the docket conditions of the court require a  
later hearing.

Cal. Civ. Proc. Code § 425.16(f).

1 VeriSign relies on *Metabolife Int'l., Inc. v. Wornick*, 264 F.3d 832, 846 (9th  
2 Cir. 2001) and *Rogers v. Home Shopping Network, Inc.*, 57 F. Supp. 2d 973, 982  
3 (C.D. Cal. 1999) for the proposition that ICANN was not required to file its Special  
4 Motion to Strike within 60 days of service of the Complaint and set it for hearing  
5 within 30 days thereafter. Application, 2:11-16. But, the *Rogers* court, which  
6 VeriSign acknowledges the *Metabolife* court cited with approval, specifically states  
7 that there is *no conflict* between the 30- and 60-day requirements of the statute and  
8 the Federal Rules. *Rogers*, 57 F. Supp. 2d at 982, n.3 ("subsection (f) effects no  
9 substantive change from the usual procedures pursuant to the Federal Rules.")

10 Indeed, had ICANN waited more than 60 days to file its Special Motion to  
11 Strike, VeriSign undoubtedly would be arguing that ICANN's motion was late and  
12 effectively barred. VeriSign cites no authority to suggest that ICANN would have  
13 been permitted, as a matter of right, to file its Special Motion to Strike at a later  
14 stage in the proceeding. Rather, in all of the federal cases that VeriSign cites, there  
15 is no indication that the Special Motion to Strike was not filed within 60 days of  
16 service of the Complaint. See *Globetrotter Software, Inc. v. Elan Computer Group,*  
17 *Inc.*, 63 F. Supp. 2d, 1127, 1128 (N.D. Cal. 1999) (filed within 60 days);  
18 *Shropshire v. Fred Rappaport Co.*, 294 F. Supp. 2d 1085, 1092 (N.D. Cal. 2003)  
19 (filed within 60 days); *eCash Technologies, Inc. v. Guagliardo*, 210 F. Supp. 2d  
20 1138, 1141-43 (C.D. Cal. 2001) (filed within 60 days with each amendment); *Vess*  
21 *v. Ciba-Geigy Corp. USA*, 317 F.3d 1097, 1102 (9th Cir. 2003) (filed with Rule  
22 12(b)(6) motion); *Batzel v. Smith*, 333 F.3d 1018, 1023 (9th Cir. 2003) (filed with  
23 Rule 12(b)(2) motion); *Metabolife*, 264 F.3d 832 (no indication that motion was not  
24 filed within 60 days from the filing of the complaint); and *Rogers*, 57 F. Supp. 2d  
25 973 (same). And, in all of the other anti-SLAPP cases VeriSign has cited except  
26 *Rogers* (discussed further below), there is no indication that briefing and the  
27 hearing did not proceed promptly. See *Gallimore v. State Farm Fire & Casualty*  
28 *Ins. Co.*, 102 Cal. App. 4th 1388, 1391-94 (2002); *Kajima Engineering & Constr.*,

1 *Inc. v. City of Los Angeles*, 95 Cal. App. 4th 921, 925 (2002); *Beach v. Harco Nat'l*  
2 *Ins. Co.*, 110 Cal. App. 4th 82, 89 (2003); *Dove Audio, Inc. v. Rosenfeld, Meyer &*  
3 *Susman*, 47 Cal. App. 4th 777, 780-81 (1996); and *Briggs v. Eden Council for Hope*  
4 *& Opportunity*, 19 Cal. 4th 1106, 1111 (1999).

5 **II. ICANN'S ANTI-SLAPP MOTION SHOULD BE BRIEFED AND**  
6 **HEARD SIMULTANEOUSLY WITH ITS MOTION TO DISMISS.**

7 VeriSign argues that ICANN's anti-SLAPP motion should be continued to  
8 allow VeriSign to conduct discovery. Application, 6:13-7:11. This is simply not  
9 the law. Rather, the most recent Ninth Circuit authority has recognized that  
10 discovery is *not* appropriate prior to a Court's ruling on an anti-SLAPP motion to  
11 strike. *See Batzel*, 333 F.3d at 1024-25; *Vess*, 317 F.3d at 1106-1110; *see also*  
12 *Global Telemedia Int'l, Inc. v. Doe*, 132 F. Supp. 2d 1261 (C.D. Cal 2001).  
13 Moreover, while the earlier Ninth Circuit case VeriSign cites directed the lower  
14 court to allow limited "essential" discovery before ruling on the anti-SLAPP  
15 motion, that case arose under circumstances not present here. *See Metabolife*, 264  
16 F.3d at 846.

17 **A. The Filing of a Special Motion to Strike Stays Discovery Pending**  
18 **the Hearing on the Motion.**

19 Subsection (g) of California's anti-SLAPP statute provides:

20 All discovery proceedings in the action shall be stayed  
21 upon the filing of a notice of motion made pursuant to this  
22 section. The stay of discovery shall remain in effect until  
23 notice of entry of the order ruling on the motion. The  
24 court, on noticed motion and for good cause shown, may  
25 order that specified discovery be conducted  
26 notwithstanding this subdivision.

24 Cal. Civ. Proc. Code § 425.16(g). Accordingly, the Ninth Circuit has recognized  
25 that "[i]f the defendant files an anti-SLAPP motion to strike, all discovery  
26 proceedings are stayed." *See Batzel*, 333 F.3d at 1024 (citing Cal. Civ. Proc. Code  
27 § 425.16(g)). "If an anti-SLAPP motion to strike is granted, the suit is dismissed  
28 and the prevailing defendant is entitled to recover his or her attorney's fees and

1 costs. If the motion to strike is denied, the anti-SLAPP statute does not apply and  
2 the parties proceed with the litigation." *Batzel*, 333 F.3d at 1024-25 (if the  
3 plaintiff's case survives, "the anti-SLAPP statute no longer applies and the parties  
4 proceed to litigate the merits of the action.").

5 Numerous courts in the Ninth Circuit have heard motions to dismiss and  
6 anti-SLAPP motions at the same time. For example, in *Vess*, the Ninth Circuit  
7 affirmed the district court's decision to grant two of the three defendants' anti-  
8 SLAPP motions. The parties submitted briefing on their anti-SLAPP motions  
9 *simultaneously* with their Rule 9(b) and 12(b)(6) motions to dismiss. *Vess*, 317  
10 F.3d at 1102. The plaintiff amended its complaint, the defendants renewed their  
11 motions, and the district court dismissed the plaintiff's complaint without prejudice  
12 as to all three defendants. *Id.* When the plaintiff failed to amend its complaint  
13 further, the district court granted the motions to dismiss and the motions to strike.  
14 *Id.*

15 The Ninth Circuit approved of the district court's procedures and, because it  
16 affirmed the motions to dismiss as to two defendants and reversed the motion to  
17 dismiss as to the third, it also affirmed the anti-SLAPP motion rulings as to the two  
18 defendants and reversed as to the third. *Id.* at 1106, 1108, 1110. Thus, the *Vess*  
19 case does *not* stand for the proposition (argued by VeriSign) that the Court should  
20 not address an anti-SLAPP motion concurrent with a Rule 12 motion to dismiss;  
21 rather, it stands for the proposition that the motions should be briefed and heard at  
22 the same time, and an anti-SLAPP motion may be granted at the same time that a  
23 motion to dismiss is granted with prejudice.

24 Likewise, in *eCash Technologies, Inc.*, 210 F. Supp. 2d at 1154, the plaintiff  
25 filed a motion to dismiss as well as an anti-SLAPP special motion to strike the state  
26 law counterclaims filed against it. Judge Collins granted the plaintiff's motion to  
27 dismiss and, *in the same opinion*, found that defendants' state law counterclaims  
28 were subject to the special motion to strike and plaintiff was entitled to attorneys'

1 fees and costs. *Id.* at 1153-55. Judge Collins also noted that a special motion to  
2 strike “is akin to a Rule 12(b)(6) motion to dismiss.” *Id.* at 1144.

3 As in *Vess* and *eCash*, ICANN has filed a motion to dismiss and a motion to  
4 strike to be heard at the same time. And, as in *Vess* and *eCash*, the Court should  
5 allow briefing on both motions to proceed simultaneously and should hear  
6 argument on the two motions at the same time. Following this procedure will allow  
7 the Court to rule on ICANN's motion to dismiss and, if appropriate, simultaneously  
8 dismiss VeriSign's claims with prejudice, grant the anti-SLAPP motion, and award  
9 ICANN its attorneys' fees.<sup>4</sup>

10 **B. Ninth Circuit Precedent Does Not Support VeriSign's *Ex Parte***  
11 **Application for a Continuance.**

12 VeriSign argues that, contrary to the *Batzel* court's clear statement of the  
13 applicable anti-SLAPP procedures, other cases stand for the proposition that  
14 VeriSign is entitled to discovery before the anti-SLAPP motion is decided. *See*  
15 *Application*, 7:12-11:4. However, the cases VeriSign cites (*Metabolife*, *Rogers*,  
16 and *Shropshire*) do *not* support that argument. At most, these cases stand for the  
17 proposition that, where an anti-SLAPP motion is directed to the sufficiency of  
18 plaintiff's proof, as opposed to the sufficiency of plaintiff's pleadings, limited  
19 discovery essential to the plaintiff's opposition may be permitted.

20 In *Metabolife* (which was decided before the Ninth Circuit's decisions  
21 applying the anti-SLAPP statute in *Batzel* and *Vess*<sup>5</sup>), the Ninth Circuit found that

22 \_\_\_\_\_  
23 <sup>4</sup> VeriSign argues repeatedly: “ICANN's motion to dismiss addresses all of  
24 the claims at issue in its motion to strike.” *Application*, 1:14-17; 3:20-21.  
Therefore, considerations of judicial economy also favor hearing the two motions at  
the same time.

25 <sup>5</sup> Directly contrary to VeriSign's argument, the *Vess* court did *not* note the  
26 *Metabolife* decision with approval. *Application*, 6:25-7:28 n.5. Rather, the *Vess*  
27 court cited the *Metabolife* case as a “*But see*” after it quoted with approval the  
28 following holding from *United States ex rel. Newsham v. Lockheed Missiles &  
Space Co.*, 190 F.3d 963, 970-73 (9th Cir. 1999): “holding that there is no direct  
conflict between the Federal Rules and §§ 425.16(b) and (c), *and that adopting  
California procedural rules serves the purposes of the Erie doctrine.*” *Vess*, 317  
F.3d at 1109 (emphasis added).



1 the "*discovery-limiting aspects* of section 425.16(f) and (g) did not apply in federal  
2 court." *Metabolife*, 264 F.3d at 846 (emphasis added). However, the *Metabolife*  
3 court explicitly based its ruling on the findings of the court in *Rogers*. In *Rogers*,  
4 the court approved of ruling on anti-SLAPP motions *prior* to discovery where, as  
5 here, the targeted claims could not survive a Rule 12 motion to dismiss:

6           If a defendant makes a special motion to strike based on  
7           alleged deficiencies in the plaintiff's complaint, the  
8           motion must be treated in the same manner as a motion  
9           under Rule 12(b)(6) except that the attorney's fee  
10          provision of § 425.16(c) applies. If a defendant makes a  
11          special motion to strike based on the plaintiff's alleged  
12          failure of proof, the motion must be treated in the same  
13          manner as a motion under Rule 56 except that again the  
14          attorney's fees provision of § 425.16(c) applies.

11 *Rogers*, 57 F. Supp. 2d at 983. The *Rogers* court went on to explain that, where  
12 plaintiff's claims survive a motion to dismiss, the Special Motion to Strike can be  
13 used to test whether plaintiff could support its claims with adequate evidence and  
14 only in these cases is narrow discovery limited to information essential to the  
15 opposition appropriate.<sup>6</sup> *Id.*, 57 F. Supp. 2d at 983-84.

16           Relying on and distinguishing *Rogers*, a court in this District denied  
17 plaintiffs' request that the court "stay the decision" on defendants' anti-SLAPP  
18 motions "to allow Plaintiffs limited discovery." In *Global Telemedia Int'l, Inc. v.*  
19 *Doe*, 132 F. Supp. 2d 1261 (C.D. Cal. 2001), defendants made Internet postings in a  
20 chat room critical of the plaintiffs' company. Based on defendants' statements,  
21 plaintiffs filed an action for interference with contractual relations and other torts.  
22 In responding to defendants' anti-SLAPP motion, plaintiffs argued that if the Court  
23 was inclined to grant the defendants' anti-SLAPP motion, it should first permit  
24 plaintiffs limited discovery as to one of the defendant's (King's) "general experience

25 \_\_\_\_\_  
26 <sup>6</sup> ICANN's Special Motion to Strike tests both legal theories and the  
27 sufficiency of VeriSign's proof. Therefore, if the Court is inclined to follow  
28 *Rogers*, then ICANN's motion should be treated first as equivalent to a Rule 12  
motion. To the extent any of VeriSign's claims survive the test of VeriSign's legal  
theories, VeriSign should be "put to its proof" to see if its evidence can withstand  
the motion.

1 in trading stocks, his over-all knowledge and sophistication regarding valuation of  
2 lower-dollar stocks such as [plaintiffs'], including the effect of 'consumer'  
3 comments."<sup>7</sup> *Id.* at 1271. The Court denied the request because discovery was  
4 unnecessary to the resolution of the anti-SLAPP motion:

5 Here, Plaintiffs' request for discovery does not fall within  
6 the scope of *Rogers*. King's experience in trading is  
7 irrelevant to the questions raised in this motion, including  
8 issues of damage and whether the postings were fact or  
9 opinion. Having made the legal determination that the  
statements must be factual to be actionable, and having  
further found that the postings are opinions rather than  
actionable facts, the Court does not require further  
evidence to evaluate Plaintiffs' claims.

10 *Id.* at 1271.

11 As in *Global Telemedia*, no further evidence is necessary to the Court's  
12 evaluation of VeriSign's claims. The Court has before it VeriSign's *own allegations*  
13 that the October 3 letter was sent in anticipation of litigation. These allegations  
14 render moot any discovery that VeriSign might seek regarding whether the anti-  
15 SLAPP motion applies to the October 3 letter. In addition, the Court may take  
16 judicial notice of the October 3 letter, which demonstrates on its face that ICANN  
17 intended to file a lawsuit unless VeriSign removed the wildcard, *which it did* in  
18 response to the letter. *See* Schaberg Decl., Ex. 1.

19 Unlike the Special Motion to Strike in *Global Telemedia*, VeriSign argues  
20 that "ICANN's Motion raises issues of fact as to which discovery is essential prior  
21 to any hearing on the Motion" because: 1) VeriSign needs discovery before the  
22 Court can determine whether the anti-SLAPP statute applies to the October 3 letter  
23 (Application, 7:12-11:2); and 2) VeriSign needs discovery right now that is  
24 exclusively within ICANN's control to carry its burden on the anti-SLAPP motion  
25 (Application, 11:5-12:20).

26 <sup>7</sup> Like the plaintiff in *Global Telemedia*, VeriSign could have and should  
27 have raised these arguments in its opposition to the anti-SLAPP motion. There is  
28 no emergency here. Instead, VeriSign is wasting the resources of this Court and  
ICANN, a non-profit corporation, by asking the Court to examine aspects of  
ICANN's anti-SLAPP motion twice.

1           The notion that VeriSign needs discovery before the Court can determine  
2 whether ICANN has made a "prima facie" showing that the anti-SLAPP statute  
3 applies to the October 3 letter is preposterous. As discussed above, VeriSign's  
4 Complaint alleges that the letter constituted a threat that "ICANN would initiate  
5 legal proceedings against VeriSign," and "forced" VeriSign to suspend its wildcard.  
6 Compl., ¶ 37. VeriSign even calls the October 3 letter the "Suspension Ultimatum."  
7 See e.g., *id.* at ¶¶ 37, 38, 70, 71, 94, 101, 107. Having repeatedly alleged in its  
8 Complaint that the October 3 letter forced VeriSign to remove the wildcard in order  
9 to avoid litigation, VeriSign cannot now argue that the letter was not sent in  
10 anticipation of litigation or that discovery is necessary to assess "defendant's state  
11 of mind." See, e.g., *eCash Technologies, Inc.*, 210 F. Supp. 2d at 1152 (discovery  
12 not necessary to determine that letter was, on its face, privileged under CCP section  
13 47(b)); *Equilon Enterprises, LLC v. Consumer Cause, Inc.*, 29 Cal. 4th 53, 518-19  
14 (2002) (discovery not necessary to determine that anti-SLAPP motion applied to  
15 "notices of intent to sue"); *Dove Audio*, 47 Cal. App. 4th at 783 (discovery not  
16 necessary to determination that CCP section 47(b) and anti-SLAPP statute applied  
17 to letter which, on its face, was a communication in anticipation of litigation.). Any  
18 review of the October 3 letter likewise would leave no doubt that this letter was a  
19 bona fide threat to litigate. See Schaberg Decl, Ex. 1.

20           VeriSign's reliance on *Shropshire* is misplaced. First, in *Shropshire*, the  
21 court was evaluating the anti-SLAPP motion -- not an *ex parte* application to  
22 continue the hearing date on the motion. *Shropshire*, 294 F. Supp. 2d at 1099.  
23 Second, unlike the claims in *Shropshire*, VeriSign's Complaint (especially the  
24 second through fourth claims) unambiguously bases its claims on the October 3  
25 letter. And third, VeriSign's Complaint and the October 3 letter demonstrate that  
26 the letter was sent in anticipation of legal proceedings and is thus protected activity.  
27 See *Shropshire*, 294 F. Supp. 2d at 1099-1100 (complaint unclear as to whether  
28

1 letter to third party was sent in anticipation of litigation).<sup>8</sup> Indeed, the facts of this  
2 case are even more persuasive than those in *eCash*, *Equilon*, and *Dove Audio*,  
3 where the application of the anti-SLAPP statute to the communication was clear  
4 from the face of the document; here, VeriSign has *conceded* that ICANN sent its  
5 letter threatening legal proceedings and that VeriSign took the letter seriously.  
6 Compl., ¶ 37.

7 VeriSign then argues that it needs discovery that is within ICANN's control  
8 to carry its burden on the anti-SLAPP motion. Application, 11:3-18. This is  
9 wrong. As to VeriSign's second, third, and fourth claims, no additional discovery is  
10 necessary because if, following briefing on ICANN's anti-SLAPP motion and its  
11 motion to dismiss, the Court concludes that the anti-SLAPP motion applies to the  
12 October 3 letter and that VeriSign's second, third, and fourth claims fail to state a  
13 claim, then the Court will grant ICANN's anti-SLAPP motion. And if, after  
14 briefing on the anti-SLAPP motion and ICANN's motion to dismiss, the Court  
15 concludes that ICANN's October 3 letter and ICANN's other statements  
16 demonstrate a prima facie case that the statute applies and VeriSign's fifth and sixth  
17 statements fail to state a claim as a matter of law, then VeriSign's fifth and sixth  
18 claims will be barred as well.

19 Finally, VeriSign's argument that "several federal courts have found it most  
20 appropriate to continue anti-SLAPP motions until the close of discovery" is entirely  
21 unsupported. Application, 2:19-22; 3:25-28; 7:3-5. VeriSign again cites  
22 *Metabolife*, *Rogers*, and *Shropshire*. But these cases do *not* support that  
23 proposition. To the extent discovery on anti-SLAPP Special Motion to Strike has  
24

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25 <sup>8</sup> VeriSign significantly overreaches when it suggests that, to defend against  
26 the anti-SLAPP motion, VeriSign might need discovery of "ICANN's assessment of  
27 the legitimacy of its potential claims." Application, 10:21-11:1. That information  
28 is obviously privileged; even the *Shropshire* and *Aronson* cases, to which VeriSign  
cites, confirm that the only potential factual issue is whether defendant actually  
intended to file suit. And there is no factual issue here, given VeriSign's allegations  
and the October 3 letter. *Shropshire*, 294 F. Supp. 2d at 1099; *Aronson v. Kinsella*,  
58 Cal. App. 4th 254, 266-69 (1997).

1 been permitted at all under Ninth Circuit precedent, only discovery that is "essential  
2 to [plaintiff's] opposition to the Motion to Strike" is permitted. *Metabolife*, 264  
3 F.3d at 846; *Rogers*, 57 F. Supp. 2d at 986 (only "identified specific discovery"  
4 essential to opposition to the special motion); *Shropshire*, 294 F. Supp. 2d at 1100  
5 (only limited discovery essential to plaintiff's defense).

6 **III. IN THE ALTERNATIVE, THE COURT SHOULD REQUIRE BOTH**  
7 **MOTIONS TO BE BRIEFED BUT SHOULD RESOLVE ICANN'S**  
8 **MOTION TO DISMISS BEFORE RULING ON ICANN'S SPECIAL**  
9 **MOTION TO STRIKE.**

10 Even if the Court is inclined to continue for a limited time the hearing on  
11 ICANN's Special Motion to Strike, briefing should nonetheless be completed now  
12 and a hearing on the Special Motion to Strike should be held as soon as VeriSign's  
13 Complaint is finalized. By requiring the parties to complete their briefing on the  
14 anti-SLAPP motion, the Court will be in a position promptly to evaluate the  
15 anti-SLAPP motion as soon as it determines the legal sufficiency of the five  
16 overlapping claims ICANN is also attacking by its motion to dismiss. The Ninth  
17 Circuit favors a resolution of the anti-SLAPP motion as soon as practicable  
18 following the finalization of VeriSign's Complaint (*Vess*, 317 F.3d at 1102) and, in  
19 all events, in advance of discovery or other litigation of the merits. *See Batzel*, 333  
20 F.3d at 1024-25.

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**CONCLUSION**

For the foregoing reasons, ICANN requests that the Court deny VeriSign's *ex parte* application in its entirety and conduct the hearing on the motion to strike on May 17, 2004.

Dated: April 21, 2004 JONES DAY

By: \_\_\_\_\_  
Jeffrey A. LeVee

Attorneys for Defendant  
INTERNET CORPORATION FOR  
ASSIGNED NAMES AND NUMBERS

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